



**PSA 10
Council on Aging-Silicon Valley**

MONITORING REPORT

September 21-24, 2009



California Department of Aging (CDA) Staff

An onsite assessment of the Council on Aging, Silicon Valley (COA) from September 21-24, 2009. As part of this review, CDA staff conducted a separate onsite visit from June 8-9, 2009. The following CDA staff were present:

Don Braeger, Policy Manager
Sue Lyle, Coach, Fiscal and Contracts
Donna DiMinico, Aging Programs Analyst, Administrative
Eura Trent, Aging Programs Specialist, Administrative
Vern Foster, Fiscal Program Specialist, Fiscal
Joel Weeden, FCSP Specialist, Title III-E Family Caregiver Support Program
Kathleen Hendrickson, Aging Programs Analyst, Title V & CBSP
Denny Wight, Aging Programs Analyst, Title III-B Supportive Services, Information and Assistance and Disaster Preparedness
Mark Meis, HICAP Program Analyst, Health Insurance Counseling and Advocacy Program (HICAP)
Barbara Estrada, R.D., Public Health Nutritionist, Title III C Elderly Nutrition Program and Title III D Disease Prevention and Health Promotion.

Monitoring Report

Throughout the monitoring report, either Council on Aging (COA) or Area Agency on Aging (AAA) is used to refer to the Council on Aging Silicon Valley. In every instance, the two terms are synonymous. CDA staff monitored administrative, fiscal, and specific program standards required by the Older Americans Act (OAA) and Older Californians Act (OCA). This report includes:

- Recap of the standards monitored during the visit;
- Recognition of best practices or models of service delivery that will be shared with the aging network by a notice posted on CDA's website;
- Findings and required actions to be taken by the COA to correct specific findings associated with the monitoring visit; and
- Corrective Action Plan to be completed by COA and submitted to CDA.

RECAP/OVERVIEW OF MONITORING VISIT

This section provides a recap of the standards reviewed the monitoring visit and the recognition of the AAA staff that assisted CDA to accomplish its work.

AAA Administrative Review

Governing Board

Donna DiMinico and Don Braeger met with Stephen Schmoll, Chief Executive Officer, and Jeff Tepper, Governing Board member, to determine if the Governing Board, as the policy-making body of the AAA, recognizes and fulfills its roles and responsibilities as required by all regulations, laws, and contracts. The Governing Board is comprised of nine members and meets monthly. The Board is responsible for setting overall AAA priorities and goals, and developing an annual strategic plan. The Board has a Resource Development Committee to expand the system of community-based services in the PSA. The AAA provides regular training to Board members, including contractual and legal obligations of a governing board. In addition, Mr. Schmoll maintains frequent electronic contact with the Board. The Governing Board and Advisory Council have a collaborative relationship. Governing Board representatives attend Advisory Council meetings; the Advisory Council Chair attends and reports at Governing Board monthly meetings.

Advisory Council

Donna DiMinico and Don Braeger met with Mike Torres, AAA Contracts Manager, and Vernon Medicine Cloud, Co-Chair of the AAA Advisory Council (AC). The purpose was to determine if the Advisory Council is provided the opportunity to (1) advise the AAA on all matters related to the development and administration of the Area Plan and all operations conducted under the plan, and (2) to further the AAA's mission of developing a community-based system of care for older persons living within the PSA. The AC has three committees: Health, Legislative Advocacy, and Planning. Each committee reports to the AC. The AC Chair attends and reports at Governing Board monthly meetings. Mr. Medicine Cloud reported that the AC established an Ad Hoc Ombudsman Committee in Fiscal Year (FY) 08-09 and successfully mobilized a campaign to support the passage of AB 392. The AC consists of 43 members. However, currently there are seven (7) vacancies.

Staffing and Organization

Eura Trent met with Stephen Schmoll, Chief Executive Officer, to determine if the COA has an adequate number of trained staff to administer programs to older individuals living within the PSA. Ms. Trent reviewed COA's organizational chart to verify the positions identified on the budget summary matched the current organizational structure. The COA utilizes external training resources to enhance job-specific skills and encourages cross training for AAA staff. COA staff are invited to attend work related training and conferences such as California Association on Area Agencies on Aging.

Procurement/Contract Process

Donna DiMinico and Eura Trent met with Mike Torres, AAA Contracts Manager, to determine if the AAA had established systematic procedures to ensure the AAA awarded contracts through an open and competitive process. The AAA released a Request for Proposal (RFP) in FY 07-08. A review of the AAA's procurement and contract processes found the most recent RFP and provider contracts contained most required components.

Community-Based Systems of Services

Ms. Trent met with Mr. Schmoll to ensure the COA proactively provides leadership in the development of a comprehensive and coordinated community-based system of services within the PSA. The COA demonstrates leadership in the development of partnerships with community organizations and county departments such as In-Home Supportive Services (IHSS). COA plans to build more formal partnerships through the execution of Memoranda of Understanding agreements to continue to provide quality community services.

Management of Service Providers

Ms. DiMinico met with Mr. Torres to determine if the AAA effectively communicates with, disseminates policies and procedures to, and monitors its service providers. Ms. DiMinico reviewed the monitoring schedule and service provider files, and determined that AAA staff conducted annual monitoring. Monitoring reports included findings, recommendations, and timelines for corrective actions.

Data Reporting

Ms. DiMinico met with Mr. Torres to ensure that data reporting processes are in place at all levels to improve quality. The AAA conducts data collection and reporting training for subcontractors every other year; one on one if a new subcontractor is selected. The AAA does verification of data accuracy from the subcontractors on a case-by-case basis.

AAA Fiscal Review

Vern Foster and Sue Lyle met with Kimberly Marlar, Chief Financial Officer, to review the fiscal systems of the AAA. Financial standards and areas reviewed include Contracts, Accounting Records, Budget Control, Cash Management, Financial Reporting, Allowable Costs, AAA Budget Process, Internal Controls, and Fiscal Monitoring. Ms. Marlar uses MAS90 software as well as Excel spreadsheets for tracking salaries and wages, expenditures, and funding sources for each grant.

Specific Program Reports—Older Americans Act Programs

Title III B—Supportive Services (General)

Denny Wight met with Mike Torres, Contracts Manager, to review the Title IIIB Supportive Services Monitoring Tool sent to the AAA for completion prior to the onsite assessment. Mr. Wight also met with Chris Pacheco, Director, Care Management Services, regarding the Title IIIB Case Management Tool that was forwarded to the

Area Agency for completion prior to the onsite visit. In addition, Mr. Wight met with Christine Skeen, Program Manager, to discuss the Personal Care and Homemaker Programs. All questions in the monitoring tools were covered during the interviews. The major areas discussed included the development of community-based services, program operations, and administrative programmatic procedures. The AAA maintains proper documentation for its Title III B operations that was displayed on request.

Mr. Wight also visited the Mexican American Community Services Agency (MACSA) with whom the AAA contracts for Transportation, Personal Care, and Adult Day Care/Health. Mr. Wight met with Carmen Munoz-Avila, Social Service Manager. The operation of the program was explained and samples of files containing back-up documentation for units of service being reported to the AAA were provided.

Title III B—Information and Assistance (I&A)

The AAA provides I&A services directly and through contracts with Asian Americans for Community Development, Inc. and Catholic Charities, Inc. Mr. Wight met with Henri Villalovoz, Director, Information and Assistance, Manual Altamirano, Chief Operations Officer, and Joey Counts, I&A Program Manager, to discuss I&A delivery and review the I&A Program Assessment Tool completed by the AAA prior to the onsite assessment.

The interview included evaluation of I&A practices conducted by the AAA. Inspection of local telephone directories showed the I&A program is accurately indexed. Mr. Wight also observed Larry Cominoli, I&A Specialist, fielding several telephone inquiries. Mr. Cominoli demonstrated a very professional manner while talking to the callers and was able to ascertain the clients' needs, answer questions, and provide referral to needed services. In support of the AAA's attempts to streamline I&A services, Mr. Wight left the COA an Alliance of Information and Referral Systems package of training documents.

Disaster Preparedness

Mr. Wight reviewed the Emergency and Disaster Preparedness Monitoring Tool with Mr. Villalovoz. The AAA has developed a disaster handbook, Continuity of Operations Plan, that provides guidance for staff and volunteers to ensure mission critical functions are maintained during an emergency or threat of an emergency. The handbook is updated annually, and staff and volunteers are provided disaster training on a yearly basis.

Title III C—Elderly Nutrition Program (ENP)

A review of the ENP monitoring tool was conducted with Chuck Newcomb, AAA R.D. Barbara Estrada, R.D., assessed the donation procedures, kitchen production sites, current ENP menu compliance with Dietary Reference Intakes, Home-Delivered Meals policies and procedures, annual monitoring reports, corrective action plans, eligibility assessments, contracts, quarterly staff training, training evaluations, nutrition education topics, and observed congregate meal service at three sites.

On Monday June 8, 2009, Ms Estrada and Mr. Newcomb, along with Barbara Biehl, RD, conducted a site visit of the Mexican American Community Services Agency (MACSA). This site receives a daily rate from Medi-Cal for each senior that attends this program.

The COA provides only the USDA Nutrition Services Incentive Program (NSIP) dollars to this program based on the number of meals served. Ms. Estrada reviewed the kitchen and was present for the noon meal service. The Avenidas Rose Kleiner Senior Day Health Center is also funded by Medi-Cal and receives the NSIP dollars from the COA.

Ms. Estrada and Mr. Newcomb conducted a site visit at the Indo-American Community Center in Milpitas. This site is an outstanding example of meeting the needs of this culturally diverse community. The seniors who were interviewed at this site expressed their satisfaction with the meal program.

On Tuesday June 9, 2009, Ms. Estrada, Mr. Newcomb, Celine Chan, RD, Santa Clara County Nutrition Services Manager, and Mary Cummins, Social Services Program Director from Santa Clara County, met at the Bateman Kitchen with Greg Taylor, Bateman District General Manager, to review this meal production site. Bateman receives, stores, packs and delivers meals to clients within the PSA. The home-delivered clients receive seven frozen dinners, seven breakfasts, whole wheat bread and fresh fruit weekly. Bateman Kitchen also provides catered meals to some congregate nutrition sites. The Bateman Kitchen provides quality meals in an efficient manner. The staff demonstrates a commitment to quality improvements, food safety and their senior clients.

After reviewing the Bateman Kitchen, Ms. Estrada, Mr. Newcomb and Ms. Chan attended the Palo Alto Senior Center for lunch. The seniors at this center praised the meals and the staff. The lunchroom not only had a line waiting to get in, but had to seat seniors in succession in order to accommodate all who wished to participate in the lunch. The meal was made on site; site coordinator Mary Batchelder was attentive to her staff and to the participants assuring everyone was satisfied with their meal. The quality of the food was excellent; the production was efficient and cost effective.

Ms. Estrada and Mr. Newcomb also visited the Stephenson House, a low-income senior residence that receives NSIP funding for the dinner meal. The payments for seniors' meals are included in their room rental. Residents are charged a fee for the evening meal as part of their room rent. The site was not actively serving meals during the visit but a review of the facilities was completed. Stephenson House also serves an ENP congregate lunch meal in their dining hall. This meal is open to the public and provides an opportunity for participants to donate for the meal. Payment for the lunch meal is not included in the residents' rental agreement. The Rincon House and Chai House are also residential facilities that receive NSIP funding from COA.

Title III D—Disease Prevention and Health Promotion

Ms. Estrada met with Mike Torres and Paul Hepfer, Vice President of Programs & Director of Healthy Communities for Health Trust, to review the Title IIID Disease Prevention and Health Promotion program. Title III D funds are allocated through joint grants with Health Trust for a variety of health related projects. Additionally, some funds are provided to the Indian Health Center for diabetes prevention.

Title III E - Family Caregiver Support Program (FCSP)

FCSP Specialist Joel Weeden found that COA over the past four years has further elaborated upon its FCSP multifaceted system of caregiver supports. Mr. Weeden's review of COA direct and contracted services for FCSP required the supportive and helpful assistance of both COA staff members and selected FCSP grantees. Meetings were held over a day and a half with the following:

- COA Information Services and Access Assistance for FCSP – Henry Villalovoz, Director, Senior Employment, Meals on Wheels, Information & Assistance, Care Call; and Joey Counts, I&A Program Manager.
- COA Support Services for FCSP – Christine Pacheco, Director, Care Management; and Mary Cyrus, Caregiver Social Work Care Manager.
- COA Financial Management for FCSP – Kimberly Marlar, Chief Financial Officer (conducted in collaboration with CDA staff Sue Lyle and Vern Foster).
- COA Budgeting and Equipment Procurement for FCSP – Manuel Altamirano, Chief Operating Officer.
- COA Contracts Management for FCSP – Mike Torres, Contracts Manager.

Mr. Torres organized and joined Mr. Weeden in three field visits with COA-contracted FCSP providers. These visits further an understanding of the AAA's compliance with its services procurement and grantee oversight responsibilities. Visits were conducted with the following providers:

- Catholic Charities Kinship Resource Center – Michelle Wexler, Family Strengthening Services; Marina Hurtado, Youth Employment Services; and Lupie Acosta, Rebecca Barajas, Kathy Kellett, and Ilene Pruitt, Kinship Resource Center Case Managers.
- Alzheimer's Association of Northern California and Northern Nevada – Edie Yau, Director of Diversity; Blanca Vazquez, Program Assistant; and Jan Williams, Accounting Manager.
- Alzheimer's Activity Center – Barbara DeLash, Director of Operations and Accounting; and Tracy Simon Cook, Director of the Alzheimer's Activity Center.

Title V—Senior Community Services Employment Program (SCSEP)

Kathleen Hendrickson met with Henri Villalovoz to review the SCSEP. The AAA provides SCSEP directly and administers 42 slots for the regular grant and nine slots for the American Recovery and Reinvestment Act (ARRA) grant. During the visit, Ms. Hendrickson reviewed the CDA SCSEP monitoring tool, participant files, and interviewed two SCSEP participants and one host agency supervisor. Both participants and the host agency supervisor were pleased with the services received.

During the monitoring visit Ms. Hendrickson attended the Quarterly Training Seminar held for participants. Included in the meeting were a celebration for Employ Older Workers Week and a celebration of the selection of an employee and employer of the year.

The SCSEP program is well organized with five SCSEP participants working with Mr. Villalovoz to administer the program. The AAA SCSEP has exceeded 80% of the combined performance goals in FY 2008/09 and is in good standing.

Specific Program Reports—Older Californians Act Programs

Community-Based Services Program (CBSP)

Ms. Hendrickson met with Mr. Schmoll and Ms. Skeen concerning the AAA's plans for the Linkages, Alzheimer's Day Care Resource Centers (ADCRC) and Respite Purchase of Service (RPOS) programs. The amended State Budget for Fiscal Year (FY) 2009-10 eliminated the equivalent of nine months of funding for the following CBSP programs: Linkages, Senior Companion Program, RPOS, ADCRC, and Brown Bag. All State funding for these programs is eliminated as of October 1, 2009.

Alzheimer's Day Care Resource Centers (ADCRC)

Mr. Schmoll reported that the COA is using federal Title III E funds to backfill funding for the program. All of the State funds will be spent by September 30, 2009. Mr. Schmoll reported that all of the participants at the ADCRC have caregivers and the program is setup to accommodate caregivers. Title III E funding will be used to pay for days of attendance for ADCRC clients. The ADCRC program will continue after October 1, 2009 using Title III E funds. Mr. Schmoll reported that the COA will continue to use the ADCRC name for their program.

Linkages

Mr. Schmoll reported that all Linkages State funds will be spent by September 30, 2009. The COA currently provides a case management program funded by Title III B Case Management funds. The COA will retain all the Linkages staff and they will be part of the existing Title III B Case Management services. The AAA will not be using the name Linkages. Case management services will follow the Title III B Case Management requirements in the Older Americans Act.

Respite Purchase of Services (RPOS)

All State funds will be spent by September 30, 2009. The COA is considering funding RPOS with Title III B funds.

Health Insurance Counseling and Advocacy Program (HICAP)

Mark S. Meis, HICAP Program Analyst II, conducted an on-site visit for evaluating the HICAP program. Mr. Meis met with the HICAP Program Director, Connie Corrales. During the visit, Mr. Meis completed the HICAP Monitoring tool, reviewed random HICAP client intake forms, and HICAP Counselor records from FY 06/07, FY 07/08 and FY 08/09.

BEST PRACTICES OR MODELS OF SERVICE DELIVERY

Best practices or Models of Service Delivery discovered during the monitoring of AAA are being identified by CDA to share with the aging network and other agencies or individuals interested in developing senior services in their community.

Listed below are either Best Practices or Models of Service Delivery identified during the monitoring visit conducted by CDA and discussed at the Exit Conference. Best Practices or Models of Service Delivery along with the AAA staff you select to provide guidance to individuals seeking information on specific activities, programs, and services, will be placed on CDA's website.

Health Insurance Counseling and Advocacy Program (HICAP)

The COA's HICAP program prepares an annual publication, "Medicare Consumer Guide".. This 14-page booklet is an easy to read and understand document that provides valuable Medicare information to beneficiaries. It explains each of the Medicare benefits with many side-by-side comparisons between programs, benefits, and plans.

The booklet also contains information on the local companies that provide Medi-Gap Plans and Stand Alone Part D Medicare Prescription Drug Plans, with side-by-side plan comparisons and company contact information.

FINDINGS REQUIRING CORRECTIVE ACTION

Below is a formal description of findings that led to the corrective actions detailed in the attached Report of Required Corrective Actions presented at the Exit Conference conducted by CDA on September 24, 2009. For your convenience, specific corrective actions to be taken by the AAA to address each finding are summarized in a Corrective Action Plan (CAP) format that is included as part of this report. The CAP will be transmitted electronically to the AAA to ease completion and submission to CDA.

Administrative Review

Advisory Council

Upon review of the Advisory Council membership, CDA found that the ethnic composition of the Advisory Council does not represent the percentage of the PSA's older minority population. [45CFR1321.57 and Title22, Section 7304(12)(D)].

Corrective Action: Recruit Advisory Council members in proportion to the PSA's race and ethnic composition with particular emphasis on the Hispanic and Asian/Pacific Islander populations.

Procurement Process Section I-RFP/IFB

Upon review CDA found the RFP/IFB document does not include instructions as to where and how bidders may review all of the information listed. [Title22, Section 7354(b)(12)]

Corrective Action: Ensure that the RFP/IFB document includes all required contents to where and how bidders may review all RFP/IFB information.

Section II- Contract Process

CDA found the AAA contract omits all applicable information specified in federal and State laws, such as the identity of focal points and requirements with respect to the provision of services to low income minorities. [42U.S.C.3026 Title22 Section 7364 (a)(5)]

Corrective Action: Ensure service provider contracts include the identity of each designated community focal point.

Upon review of AAA service provider files, CDA found at least one service provider certificate of insurance was not available.

Corrective Action: Ensure AAA maintains certificates of insurance for all its subcontractors.

The AAA service provider contracts did not include a transition plan for termination or transfer of services. [Exhibit E, Additional Provisions, Article IV Transition Plans]

Corrective Action: Include a Transition Plan regarding termination or transfer of services in all contracts with service providers. **(Repeat finding, March 2005)**

The AAA shall establish a requirement in contracts and subgrant agreements with service providers that all service providers must establish a written grievance process for reviewing and attempting to resolve complaints of older individuals. The AAA's current contract language does not contain language to meet this requirement. [CCR Section 7400(a)(2)]

Corrective Action: The AAA must include a requirement in all service provider contracts to establish a written grievance process for reviewing and attempting to resolve complaints of older individuals and residents of Long-Term Care facilities. **(Repeat finding, March 2005)**

Management of Service Providers

AAAs must ensure that each service provider provide each recipient with an opportunity to voluntarily contribute to the cost of the service but clearly inform each recipient there is no obligation to contribute and the contribution is purely voluntary. CDA staff reviewed service provider files and discovered that the AAA's program monitoring tools do not include questions regarding how the service providers solicit voluntary contributions or inform recipients that services will not be denied if they are unable to contribute to the cost of the service. [Section 315(b)(4)(A) and (B)]

Corrective Action: Expand onsite program monitoring to include verification that voluntary contribution procedures meet all CDA requirements.

Staffing and Organization

CDA staff found the COA was lacking in providing adequate procedures/manual that related to specific job duties and personnel policies. [Title 22 7250(1)(B)].

Corrective Action: Update and/or create written personnel policies and procedures manual clearly designating lines of staff responsibility and authority.

Data

Upon interviewing AAA staff, CDA staff found that the AAA lacked written data collection and reporting procedures, including verification of AAA data accuracy. [Area Plan Contract, Exhibit E, H.1.-H.5.]

Corrective Action: Create written reporting procedures for the collection and reporting of data as required.

AAA Fiscal Review

Contracts Review

The AAA's contract with MACSA bundled multiple III B services and one IIIE service, allocating \$75,000 as a lump sum to III B services. The contract did not further allocate funding to each of the specific III B services. Without service specific funding requirements it is not possible to monitor contract expenditures for each service. [45CFR92.20 (a)1]

Corrective Action: Revise all FY 2009/10 bundled contracts specifying amounts allocated, and performance requirements for each contracted service.

AAA contract language with providers lacks the following; specific programmatic matching requirements for each program or service, Indirect Cost limitation language (currently 8 %) for Area Plan services, required due dates for submission of provider fiscal reports, and definitions for Program Income, Matching, and Non-Matching Funds which describe allowable sources of revenue. Contracts refer providers to the Master Provider Manual, which upon review was found to be vague or general in content. These requirements must be stated in order for the AAA to monitor and require providers' adherence to them, as required. [CDA's Standard Agreement (CDA 213)]

Corrective Action: Revise provider contracts language and/or Master Provider Manual that include matching requirements, required definitions and Indirect Cost limitation language, assurance language confirming providers receipt of, and adherence to, the requirements in the Master Provider Manual.

Provider budgets, attached to executed contracts, included budgeted costs for multiple services. Provider budgets submitted to the AAA shall contain only costs and funding related to the specific service of the contract. [2 CFR 230]

Corrective Action: Review provider budgets to ensure they include only costs and funding related to the specific service of the contract.

Accounting Records and Budget Control

The AAA currently reviews expenditures in total, not by service category and funding source. In comparing budgeted amounts with June year-to-date expenditures it was found that multiple Title IIIB service expenditures had been reported in excess of budgeted amounts for federal share, as well as IIIC1 and IIIC2. [45CFR92.20 (b)(4) and 45CFR92.30]

Corrective Action: The COA must create a system and begin tracking and comparing actual expenditures and revenue with budgeted amounts for each grant, subgrant and service. Monitor budget amounts and revise as required.

Cash Management

The cash management system was reviewed in order to determine whether the COA reconciles cash advances against expenditures, requesting advances that are based on

cash need. The COA currently requests advances based on 1/12th or the maximum knowing that CDA will adjust to actual cash needs. The AAA currently has no system in place to calculate maximum advance needed, timed in accordance with actual immediate cash requirements. [OMB A-110, Section 22]

Corrective Action: Develop and implement a cash management system.

Financial Reporting

In reviewing direct staff payroll cost distribution for I&A staff charging time to both IIIE and IIIB, it was found that staff time was distributed based on a predetermined allocation method and not reconciled against actual time studies. [45CFR92.20(b)(1) and 2CFR Part 230, Appendix A]

Corrective Action: Develop and implement a reasonable method for allocating staffing costs for all employees that work in multiple cost categories. Utilizing time studies on a regular basis (quarterly) to reconcile actual time with the allocation and revise cost distribution to reflect actual staff time.

The AAA distributed Title IIIE One-Time Only (OTO) funds to Avenidas, a Title IIIB service provider, to purchase a vehicle (Van). The service provider has no IIIE contract with the AAA for these services. There is no written agreement describing how this vehicle is to be used, requiring that its use be limited to allowable IIIE program activities serving IIIE clients. Without a contract in place for IIIE services, the AAA has no authority to monitor activities to determine whether the vehicle is being used to serve IIIE eligible service clients for allowable IIIE activities. In addition, this purchase does not meet the OTO regulations criteria. [CCR Title 22, 7314]

Corrective Action: Remove all Title IIIE costs associated with the Avenidas vehicle purchase from the FY 2008/09 Area Plan Closeout, as they have been determined to be unallowable.

Internal Controls

During the Fiscal review, it was found that blank COA checks were kept in an unsecured, unlocked and an unattended accounts payable desk. [45CFR92.20 (b)3]

Corrective Action: Ensure blank checks are kept in a secure location under lock and key.

The AAA does not have a current inventory system, and has not performed an annual physical inventory since the prior monitoring visit in March 2005. The Report of Project Property Furnished/Purchased with Agreement Funds (CDA 32) submitted to CDA contained only FY 2008/09 purchased property. The CDA 32 is to be a cumulative property report. **(Repeat finding, March 2005)** [CDA Standard Agreement, Exhibit D]

Corrective Action: The contractor shall develop and implement an inventory system, and submit to the Department annually, with the closeout, a list of current

property. Further, the AAA shall submit a revised FY 2008/09 cumulative CDA 32, listing all current property purchased under the terms of this agreement or any predecessor agreement for the same purpose.

In an interview with Ms. Marlar, it was CDA staff determined that the COA does not have a documented internal procurement process, to include records documenting the requisition process, documented price or rate quotes, and selection rational.
[45 CFR Part 92.36]

Corrective Action: Create and implement written procedures documenting the procurement process from initial requisition to final payment. Submit written procedures to CDA for review by 03/31/2010.

Specific Program Reports—Older Americans Act Programs

Title III B Supportive Services (General)

The AAA will terminate all contracts with MACSA on October 17, 2009, due to ongoing financial difficulties [CDA Standard Agreement, Article IV- Exhibit E]

Corrective Action: Submit to CDA for approval a transition plan regarding the termination of all contracts with the MACSA that entails the requirements stipulated.

Title III B-Information and Assistance (I&A)

The I&A program does not have a written training plan for staff and volunteers.

Repeat finding, March 2005. [CCR, Section 7547(a)]

Corrective Action: Develop and implement a written plan for the provision of training for I&A staff and volunteers.

Title III C Elderly Nutrition Program

A review of the contracts found the language refers to the following out-of-date requirements:

- References to California Uniform Retail Food Facility Law and must be replaced with current California Health and Safety Code Part 7 California Retail Food Code Chapter 7 Sections 113700-114437.
- References to Recommended Daily Allowances must be replaced with the Dietary Reference Intakes.
- References to USDA reimbursement must be replaced with Nutrition Services Incentive Program (NSIP) reimbursement. The 2000 Amendments to the OAA renamed the USDA Cash or Commodity Program as the "Nutrition Services Incentive Program".
- References to California Department of Aging Program Manual must be replaced with the appropriate California Code of Regulations Title 22 citations.

Corrective Action: Ensure that the contract language reflects the current appropriate laws that pertain to the services provided.

Nutrition sites that are provided as a direct service require quarterly monitoring visits. Documentation provided by COA demonstrated that the sites were monitored on an annual basis only. Quarterly monitoring of direct services can be performed by the AAA RD. At a minimum, quarterly monitor for safe food handling and sanitation practices of food facilities. [Title 22 Section 7636.1(b)(6)]

Corrective Action: Ensure that at a minimum all direct service meal sites are monitored quarterly for safe food handling and sanitation practices.

The MACSA and the Avenidas Rose Kleiner Senior Day Health Center both receive Medi-Cal funds. The Medi-Cal reimbursement rate includes the cost of the meal. Additional funding for the meals served at ADHCs using NSIP funds is an unallowable cost since it constitutes double payment by the federal government for the same service. [OMB Circular A-122, Section 230.50 (A)(2), CDA PM 06-11 (P)]

Corrective Action: Discontinue providing NSIP funds for meals served at MACSA and Avenidas ADHC programs.

Corrective Action: Discontinue including ADHC meals in the counts used to determine NSIP funding.

Corrective Action: Remove all NSIP costs associated with the Congregate Meal providers from the FY 2008/09 Area Plan Closeout, as they have been determined to be unallowable.

The Stephenson House, Rincon House and Chai House senior residence homes charge for provided meals as part of the rent. NSIP funding is being provided for these meals. The meals do not qualify for NSIP funding. [Title 22 Section 7636.9 (c)]

Corrective Action: Discontinue providing NSIP funds to Stephenson House, Rincon House and Chai House senior residence homes.

Corrective Action: Discontinue including meals served at any senior residence home where a fee is charged for meals in the NSIP meal counts.

Corrective Action: Remove all NSIP costs associated with the Congregate Meal providers from the FY 2008/09 Area Plan Closeout, as they have been determined to be unallowable.

The COA provides meals through direct services that are not certified by an RD to meet the OAA meal requirements. Menus for all programs that receive NSIP funds must be reviewed by an RD to certify that the OAA meal requirements are met prior to meal

service. Direct service meal programs that do not have an RD contracted or on staff may use the AAA RD for this purpose. [Title 22 Section 7636.1 (a)]

Corrective Action Plan: Ensure that all meals provided at ENPs are certified by an RD to meet the OAA requirements.

The Palo Alto Senior Center sign-in table was set up to provide adequate privacy for donations. However, the donation signs did not include language that all participants would be served regardless of whether or not they donate. Clearly inform each recipient that there is no obligation to contribute and that the contribution is purely voluntary. [OAA Section 315 (b)(4) Required Acts (B)]

Corrective Action: Ensure that all participants at nutrition sites are informed that services will not be denied to any individual who does not contribute to the cost of the service.

Title IIID – Health Promotion Disease Prevention

A portion of the Title IIID funds are contracted out to the Health Trust. COA responded on the CDA monitoring tool that they monitor internal contracts annually and receive internal monitoring reports from the co-sponsoring agency annually. However, no documentation of a COA monitoring report was available for review. [Title 22 Section 7250(b)(2)]

Corrective Action: Ensure that all contracted services are monitored and documented.

COA budgeted \$10,000 to pay a portion of a HICAP counselor position. HICAP Part D counseling provides information on Medicare insurance coverage for prescriptions. HICAP counseling does not fit the definition of Medication Management (MM); these funds must not be used for this purpose. [Older Americans Act Section 102 (a) 14(I)]

Corrective Action: Ensure that the budget is adjusted to reflect proper allocation of Title IIID MM funds.

Title III E-Family Caregiver Support Program (FCSP)

COA's 2009-2012 Area Plan did not reflect accurately its activities in several areas, including: [OAA 305(c)(5)]

1) Objective 10.1 includes Korean American Community Services in its list of COA-supported family caregiver support programs. However, according to past COA Closeout Reports, this agency has not been part of the COA's array of FCSP providers since FY 2005-2006.

2) Objective 10.3 states, I&A staff will provide caregivers needing help with "an assessment of the caregiving situation and... a written care plan including

recommendations where requested. Family members are provided with more in-depth and tailored services linkage than that which is offered by traditional I&A programs.”

3) The Service Unit Plan for Contracted Title III E Grandparent Services identifies the provision of Support Services. However, according to Area Plan public hearing comments, COA financial support has been used by Catholic Charities Kinship Resource Center to perform legal guardianships, which is a Supplemental Service.

4) The Area Plan organizational chart resubmitted to the State in September 2009 identifies Title III E funding for two FTE and six ¼ time care managers. However, the onsite review of COA direct services was only able to document the provision of Title III E funded services by the two FTEs. Also, during the onsite review, CDA staff was told there were only 3.0 FTE I&A Specialists, rather than the four identified in the organizational chart, and that this fourth position had been reassigned to the MIS unit.

5) The FCSP Service Unit Plan and Area Plan Budget do not identify the COA’s direct provision of Respite Care. However, in interviews conducted with COA fiscal and program staff, along with contracted FCSP providers, COA was identified as the primary direct provider for all the various types of Title III E funded Respite Care except for “out-of-home day” respite care.

Corrective Action: Correct the Area Plan Budget to reflect accurately COA’s intent for the provision of FCSP direct and contracted services by next budget revision.

In the review, Ms. Marlar was not aware of any system to determine the prorating of staff time and operating costs and deferred to the program directors. Both the Director for Title V, MOW, I&A and Care Call and the Director for Care Management responded that such systems had not been used for prorating staff time in the past, including the current six care managers that had ¼ of their salary covered by Title III E funds.

[2 CFR 230 – Appendix A(4)(a)(2)]

Corrective Action: Follow federal cost principles to determine reasonable cost sharing when FCSP support is delivered in collaboration with programs having other funding sources.

The most recent COA competitive bid process for FCSP services was conducted back in 2004 for FY 05-06. The AAA failed to conduct a competitive bid process for FCSP prior to FY 09-10, and appears to have renegotiated existing FCSP contracts into a fifth year. [W&I 9534(f), CCR 7354]

Corrective Action: Complete a competitive bid process for FCSP prior to entering into contracts for FY10-11.

FY 2009-2010 budget match amounts provided by the COA Contracts Manager for FCSP contracts inordinately exceeded match requirements. For example, Catholic Charities Daybreak 2 is budgeted to provide a \$169,055 match for its \$35,000 Title III E

grant, or match of over 80 percent. When adding in program income, the non-federal share is budgeted to be almost 90 percent. The entire \$285,655 total budget would need to be expended on only FCSP-eligible activities and services. Additionally, performance outcomes have to be reported for the total expenditures, not just the Title III E portion of funding. [OAA 301(d)(1), 45 CFR 92.24(b)(6), OAA 373(g)(2)]

Corrective Action: Ensure matching contributions budgeted for FCSP are allowable costs associated with FCSP-eligible services provided to FCSP-eligible caregivers in accordance with Title III E.

Corrective Action: Remove any FCSP-ineligible matching costs from the FY 09-10 monthly expenditures reported to the State for meeting match requirements.

The Alzheimer's Activity Center receives a Title III E grant of \$50,000 to provide 6,000 hours of FCSP-eligible Respite Care. CDA staff discovered that FCSP "clients" in the past were selected randomly from the total caseload, and are now selected from those where the care receiver attends the Center five days a week. A percentage of adult day care time is reported as FCSP Respite Care units. The program did not maintain client-specific FCSP records. [45 CFR 92.20(a)(2)]

Corrective Action: Require all contracted FCSP providers of Respite Care in adult day care programs to utilize a client-specific performance accountability system for ensuring documentation of compliance with OAA requirements in the following areas:

- FCSP caregiver and care receiver profile and eligibility data;
- Assessed need of the FCSP-eligible caregiver for services;
- FCSP and other services identified to meet assessed caregiver needs;
- Additional eligibility criteria met for FCSP respite or supplemental services;
- Evidence of the provision of all FCSP-funded services (both Title III E and matching resources); and
- Follow-up on caregiver status, service effectiveness, and changing needs.

CDA staff discovered, the Alzheimer's Activity Center was not aware of the OAA intent for FCSP Respite Care. It was their understanding that the \$50,000 Title III E grant was used to augment general program operations in order to reduce day fees for all adult day care participants. [OAA 373(b)(4), OMB #0985-0008]

Corrective Action: Require adult day care programs receiving Title III E funds to deliver FCSP caregiver support services in accordance with OAA statutes, AoA requirements, and State standards.

There are no developed or implemented cost sharing criteria for charging consumer fees in the delivery of OAA-supported services. When staff members were advised during the Alzheimer's Activity Center site visit of this restriction, they responded that all participants must pay the same rate and that included FCSP "clients." [OAA 315(a)]

Corrective Action: Discontinue any consumer fee generating practices of contractors associated with their delivery of FCSP services and replace with opportunities for the consumer to voluntarily contribute to the cost of FCSP-funded services.

COA I&A staff reported that performance data outcomes for the two Title III B and III E funding sources was distinguished by type of caller (senior versus other) rather than on type of information being requested – senior services related versus caregiver support related. [OAA 374 and OAA 373(b)]

Corrective Action: Report FCSP Caregiver I&A data for performance associated with the provision of caregiver support information.

Title III E has very specific eligibility requirements and service priorities for determining whether a family caregiver of older relative caregiver of a child should receive FCSP-funded services. The COA Annual Program Evaluation tool did not address FCSP compliance with client eligibility and service specification requirements. [45 CFR 92.20(a)(2)]

Corrective Action: Monitor FCSP-funded providers for compliance with Title III E client eligibility, priorities, and service specifications.

Health Insurance Counseling and Advocacy Program (HICAP)

A review of client files revealed that counselors were not completing all components of the Client Intake/Counseling Form. The HICAP Program Manager should train counselors and review files to ensure all components of the form are completed.

Repeat finding, March 2005 [HICAP Program Manual, Section 4, (4.1 – 4.13)]

Corrective Action: Ensure counselors complete all components of the Client Intake/Counseling Form.